Operation and Maintenance, Southwestern Power Administration

Proposed Appropriation Language

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, [$28,773,000] *$28,100,000,* to remain available until expended [, of which $773,000 shall be derived by transfer from unobligated balances in "Operations and Maintenance, Southeastern Power Administration"]; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $4,200,000 in reimbursements, to remain available until expended; *Provided, That amounts collected by the Southwestern Power Administration pursuant to the Flood Control Act to recover purchase power and wheeling expenses shall be credited to this account as offsetting collections, to remain available until expended for the sole purpose of making purchase power and wheeling expenditures as follows: for fiscal year 2001, up to $288,000; for fiscal year 2002, up to $288,000; for fiscal year 2003, up to $288,000; and for fiscal year 2004, up to $288,000.*

Explanation of Change

New appropriation language adds new authority to use revenues to fund purchase power and wheeling activities through FY 2004, subject to a cap. Deleted language refers to a one-time transfer of unobligated balances from another appropriation.

Operation and Maintenance, Southwestern Power Administration

Executive Budget Summary

Mission

Southwestern Power Administration's (Southwestern) mission fulfills requirements of Section 5 of the Flood Control Act of 1944 by marketing and reliably delivering Federal hydroelectric power, with preference given to public bodies and cooperatives. This will be accomplished by maximizing the use of Federal assets to repay the Federal investment while balancing power needs with the diverse interests of other water resource users and implementing public policy. As part of the Department of Energy's (DOE) Strategic Plan in the Energy Resources and Corporate Management business lines, Southwestern's program promotes secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern's goals and objectives are to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition, and repaying the Federal investment plus interest.

To integrate the operation of the Federal hydroelectric generating plants and to transmit power from U.S. Army Corps of Engineers (Corps) dams to its customers, Southwestern maintains 1,380 miles of high-voltage transmission line, 23 substations, and 46 microwave and VHF radio sites. Southwestern's headquarters is in Tulsa, Oklahoma; its dispatch center is in Springfield, Missouri; and its maintenance crews are based in Jonesboro, Arkansas; Gore, Oklahoma; and Springfield, Missouri.

Strategy

In order to achieve safety and reliability while staying competitive, Southwestern will accomplish its mission with 177 Federal employees, 39 Contractor employees, $28,100,000 in budget authority, $900,000 in prior year balances, $288,000 of revenues, non-Federal reimbursable authority of $4,200,000 and through four program activities: Operations and Maintenance, Construction, Purchased Power and Wheeling, and Program Direction. In addition, Southwestern will perform reimbursable work activities, for Federal entities under the Economy Act of 1932.

FY 1999 Accomplishments

- Marketed 100 percent of firm capacity and associated energy according to Southwestern's marketing plan.
- Actual water conditions produced 6,748,300,000 kilowatt-hours and 2,211,600 kilowatts, equating to $466.9 million in economic benefits.

- Saved 11.2 million barrels of oil, 3.2 million tons of coal, or 68.5 billion cubic feet of gas under actual water conditions through hydro power generation.
- Achieved a System Average Interruption Duration Index (SAIDI) of less than 150 minutes of preventable outage time for all power delivery points during FY 1999.
- Achieved a Control Compliance Rating of "Pass" under the North American Electric Reliability Council (NERC) performance standard for each month of the rating period.
- Maintained a safety record of a lost time injury rate of 0 for FY 1999, while the industry lost time injury rate was 1.3 according to the Bureau of labor Statistics.
- Power repayment studies were completed on the three power systems and rates were set to ensure repayment remains on schedule.
- FY 1999 audited financial data is pending, which will determine the ratio between cumulative principal payments and the total Federal investment.
- FY 1999 audited financial data is pending, which will determine the debt service coverage ratio.

FY 2000 Accomplishments (Planned)

- Market 100 percent of firm capacity and associated energy, offering it first to public bodies and cooperatives according to Southwestern's marketing plan.
- Assuming average water condition which provide 5,570,000,000 kilowatt-hours and 2,211,600 kilowatts, produce $430 million in economic benefits.
- Save 9.2 million barrels of oil, 2.7 million tons of coal, 56.5 billion cubic feet of gas under average water conditions through hydropower generation.
- Achieve a SAIDI of not more than 150 minutes of total preventable outages per year per delivery point.
- Ensure that the power system control area operated by Southwestern receives, for each month of the fiscal year, a Control Compliance Rating of "Pass" using the NERC performance standard.
- Achieve a safety performance of at most a 3.3 recordable accident frequency rate for recordable injuries per 200,000 hours worked or the Bureau of Labor Statistics industry rate, whichever is lower.
- Continue to implement Southwestern's open access tariff and work with the regional electric reliability council (security coordinator) to encourage competition through the development of regional transmission tariffs and regional transmission organizations.
- Perform annual Power Repayment Studies to assure that the cumulative status of repayment remains on schedule by filing new rates, if necessary.
- Meet planned repayment of principal on power investment.
- Achieve a debt service coverage ratio of 1.0 based on average water conditions.

FY 2001 Accomplishments (Planned)

- Market 100 percent of firm capacity and associated energy, offering it first to public bodies and cooperatives according to Southwestern's marketing plan.
- Assuming average water condition which provide 5,570,000,000 kilowatt-hours and 2,211,600 kilowatts, produce $435.0 million in economic benefits.
- Save 9.2 million barrels of oil, 2.7 million tons of coal, 56 billion cubic feet of gas under average water conditions through hydropower generation.
- Achieve a SAIDI of not more than 150 minutes of total preventable outages per year per delivery point.
- Ensure that the power system control area operated by Southwestern receives, for each month of the fiscal year, a Control Compliance Rating of "Pass" using the NERC performance standard.
- Achieve a safety performance of at most a 3.3 recordable accident frequency rate for recordable injuries per 200,000 hours worked or the Bureau of Labor Statistics industry rate, whichever is lower.
- Continue to implement Southwestern's open access tariff and work with the regional electric reliability council (security coordinator) to encourage competition through the development of regional transmission tariffs and regional transmission organizations.
- Perform annual Power Repayment Studies to assure that the cumulative status of repayment remains on schedule by filing new rates, if necessary.
- Meet planned repayment of principal on power investment.
- Achieve a debt service coverage ratio of 1.0 based on average water conditions.

Major Changes

- Beginning in FY 2001, Southwestern will seek authority to utilize purchase power and wheeling revenues to finance purchased power and wheeling expenses previously funded by direct appropriations. Southwestern will end the financing of purchased power and wheeling through this method at the close of FY 2004. This new authority is in addition to Southwestern's existing authorities used to finance purchased power and wheeling, such as net billing, bill crediting, and reimbursable authority. Southwestern will encourage its customers to assume additional responsibility for the purchase and delivery of power to customer load centers.
- Starting April 1, 1999, Southwestern began operating under the Southwest Power Pool (SPP) regional tariff for both long-term and short-term transmission transactions. In addition, Southwestern has been working with the SPP in the development of a regional transmission organization (RTO) and has agreed to participate in an expanded regional tariff that includes network transmission service.

- On February 12, 1999, the Federal Energy Regulatory Commission (FERC) approved Southwestern's revised Standards of Conduct filing.
- On April 15, 1999, the FERC approved minor revisions relating to the provisions for real power losses, energy imbalance service and the capacity overrun penalty in two of Southwestern's Integrated System rate schedules, P-98B (Peaking) and NFTS-98B (Non-Federal Transmission Service). Analysis of the Integrated System rates during FY 1999 indicated that they were at a level sufficient to meet repayment criteria. However, Southwestern did prepare a filing to address minor revisions in the rates schedules which was filed with the Deputy Secretary early in FY 2000. Southwestern requested and received the Secretary of Energy's approval of a one-year extension of the Sam Rayburn Dam project rate. Also, Southwestern filed for an annual revenue increase of 11.6 percent for the Robert D. Willis project, which was approved by the Secretary of Energy on an interim basis on September 15, 1999, and forwarded to FERC for final approval.
- Southwestern's two mission-critical systems, the Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS) and the Oracle Financials System successfully transitioned to Year 2000 without interruption in power delivery or financial transactions. All mission non-critical systems also transitioned successfully.
- The Office of Personnel Management reviewed Southwestern's Human Resources Program in FY 1999. The review resulted in an overall excellent rating in the conduct of personnel authorities, and Southwestern's awards program received recognition as an innovative and successful Human Resources program model for other Federal organizations.
- Southwestern's Tupelo, Oklahoma Maintenance Facilities, located in south central Oklahoma, was closed effective July 18, 1999, as part of the FY 2000 Plus Initiative to streamline the organization.
- In FY 1999, the Administration submitted draft legislation to significantly restructure the electric utility industry. If enacted, the proposed legislation would affect the PMAs by subjecting those that own transmission facilities to relevant provisions of the Federal Power Act for purposes of open access and transmission rate making, but would provide that any determination of the FERC would be subject to a list of conditions, including a requirement that the rates and charges are sufficient to recover existing and future Federal investment in the transmission systems; authorizing the PMAs to voluntarily join an independent regional transmission organization (RTO); and authorizing FERC to order a transmission-owning PMA to place some or all of its transmission facilities under the control of an independent regional transmission operator.

Major Issues

The demand for energy with the resulting loads on the Federal power facilities and the age of these facilities are forcing increased maintenance and replacement of equipment.

Site Funding and Federal and Contractor Staffing Profile

(dollars in thousands)

	FY 1999	FY 2000	FY 2001
Operations and Maintenance	2,722	3,625	3,795
Purchased Power and Wheeling	59	833[a]	288
Construction	6,817	6,663[b]	6,817
Program Direction	16,355[c]	17,543[b]	18,388
Total Program	25,953	28,664	29,288
Offsetting Collections Realized	0	0	-288
Use of Prior Year Balances	0	0	-900
Budget Authority	25,953	28,664	28,100
Federal Full-Time Equivalents	175	177	177
Contractors	45	42	39

Program Performance Measures

Based on the annual performance measurements review in FY 1999, Southwestern continued to implement performance goals and objectives supported by performance measurements that crosscut programs.

< Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.

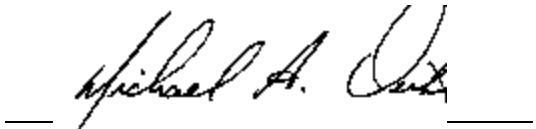
< Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.

[a]Reflects an appropriation transfer of $773,000.

[b]Reflects a Congressional rescission of $109,000.

[c]Reflects a Congressional rescission of $47,000.

- Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.



Michael A. Deihl, Administrator
Southwestern Power Administration

January 25, 2000

Southwestern Power Administration

Program Mission

Southwestern Power Administration's (Southwestern) mission fulfills requirements of Section 5 of the Flood Control Act of 1944 by marketing and reliably delivering Federal hydroelectric power, with preference given to public bodies and cooperatives. This will be accomplished by maximizing the use of Federal assets to repay the Federal investment while balancing power needs with the diverse interests of other water resource users and implementing public policy. As part of the Department of Energy's (DOE) Strategic Plan in the Energy Resources and Corporate Management business lines, Southwestern's program promotes secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

To integrate the operation of the Federal hydroelectric generating plants and to transmit power from U.S. Army Corps of Engineers (Corps) dams to its customers, Southwestern maintains 1,380 miles of high-voltage transmission line, 23 substations, and 46 microwave and VHF radio sites. Southwestern's headquarters is in Tulsa, Oklahoma; its dispatch center is in Springfield, Missouri; and its maintenance crews are based in Jonesboro, Arkansas; Gore, Oklahoma; and Springfield, Missouri.

In order to achieve safety and reliability while staying competitive, Southwestern will accomplish its mission with 177 Federal employees, 39 Contractor employees, $28,100,000 in budget authority, $900,000 in prior year balances, $288,000 in revenues, non-Federal reimbursable authority of $4,200,000 and through four program activities: Operations and Maintenance, Construction, Purchased Power and Wheeling, and Program Direction. In addition, Southwestern will perform reimbursable work activities, for Federal entities under the Economy Act of 1932.

Program Goals

- Market and deliver all available hydroelectric power from Corps dams while balancing power needs with the diverse interests of other water resource users.
- Operate and maintain a Federal transmission system to assure reliability of the interconnected system while meeting utility safety standards and encouraging competition through open access of facilities.
- Maximize the use of Federal assets to repay the investment, including principal and interest, and operation and maintenance costs of the Federal power program.

Program Objectives

- Assure all power and energy is marketed, offering it first to public bodies and cooperatives.
- Provide widespread economic benefits while assuring repayment of the Government's costs.
- Provide environmental benefits by reducing the use of non-renewable resources.

- Provide reliable deliveries of electric power to customers.
- Operate the transmission system to assure efficient matching of generation to load.
- Operate and maintain the transmission system safely.
- Continue to provide open access of transmission facilities to encourage competition.
- Assure that the Government's hydropower costs are repaid according to sound business principles.

Performance Measures

Southwestern's FY 2001 performance measurements support the DOE's Strategic Plan and assume that requirements of the authorizing program legislation, Section 5 of the Flood Control Act of 1944, are fulfilled. Performance measurements are to:

- Market 100 percent of firm capacity and associated energy offering it first to public bodies and cooperatives according to Southwestern's marketing plan.
- Assuming average water conditions, which provide 5,570,000,000 kilowatt-hours and 2,211,600 kilowatts, produce $425.9 million in economic benefits.
- Save 9.2 million barrels of oil, 2.7 million tons of coal, or 56 billion cubic feet of gas under average water conditions through hydropower generation.
- Achieve a System Average Interruption Duration Index (SAIDI) of not more than 150 minutes of total preventable outages per year per delivery point.
- Ensure that the power system control area operated by Southwestern receives, for each month of the fiscal year, a Control Compliance Rating of "Pass" using the North American Electric Reliability Council (NERC) performance standard.
- Achieve a safety performance of at most a 3.3 recordable accident frequency rate for recordable injuries per 200,000 hours worked or the Bureau of Labor Statistics industry rate, whichever is lower.
- Continue to implement Southwestern's open access tariff and work with the regional electric reliability council (security coordinator) to encourage competition through the development of regional transmission tariffs and regional transmission organizations.
- Perform annual Power Repayment Studies to assure that the cumulative status of repayment remains on schedule by filing new rates, if necessary.
- Meet planned repayment of principal on power investment.
- Achieve a debt service coverage ratio of 1.0 based on average water conditions.

Significant Accomplishments and Program Shifts

Purchased Power and Wheeling

Beginning in FY 2001, Southwestern will seek authority to utilize purchase power and wheeling revenues to finance purchased power and wheeling expenses previously funded by direct appropriations. Southwestern will end the financing of purchased power and wheeling through this method at the close of FY 2004. This new authority is in addition to Southwestern's existing authorities used to finance purchased power and wheeling, such as net billing, bill crediting, and reimbursable authority. Southwestern will encourage its customers to assume additional responsibility for the purchase and delivery of power to customer load centers.

Agency Wide

Because Southwestern's program activities are interrelated, the following accomplishments crosscut programs:

In FY 1999, Southwestern marketed 6.6 gigawatt hours of hydroelectric power and energy, together with transmission services for a gross revenue production of $102,217,000. As of September 30, 1999, cumulative repayable Federal investment is estimated to be $1,123,000,000. Contingent on final FY1999 audited financial statements, an estimated $428,600,000 will have been repaid with approximately $627,100,000 in interest.

On February 12, 1999, the Federal Energy Regulatory Commission (FERC) approved Southwestern's revised Standards of Conduct filing.

Starting April 1, 1999, Southwestern began operating under the Southwest Power Pool regional tariff for long- and short-term transmission transactions. In addition, Southwestern has been working with the SPP in the development of a regional transmission organization (RTO) and has agreed to participate in an expanded regional tariff that includes network transmission service.

On April 15, 1999, the FERC approved minor revisions relating to the provisions for real power losses, energy imbalance service and the capacity overrun penalty in two of Southwestern's Integrated System rate schedules, P-98B (Peaking) and NFTS-98B (Non-Federal Transmission Service). Analysis of the Integrated System rates during FY 1999 indicated that they were at a level sufficient to meet repayment criteria. However, Southwestern did prepare a filing to address minor revisions in the rates schedules which was filed with the Deputy Secretary early in FY 2000. Southwestern requested and received the Secretary of Energy's approval of a one-year extension of the Sam Rayburn Dam project rate. Also, Southwestern filed for an annual revenue increase of 11.6 percent for the Robert D. Willis project, which was approved by the Secretary of Energy on an interim basis on September 15, 1999, and forwarded to FERC for final approval.

Southwestern operated and maintained 1,380 circuit-miles of high-voltage transmission line, 23 substations, and 46 microwave and VHF radio sites, located across three states, thereby marketing and providing reliable hydroelectric power to 93 customers and approximately 8 million end users from 24 separate power projects.

- Southwestern's two mission critical systems, the Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS) and the Oracle Financials System successfully transitioned to Year 2000 without interruption in power delivery or financial transactions. All mission non-critical systems also transitioned successfully.
- In FY 1999, the Administration submitted draft legislation to significantly restructure the electric utility industry. If enacted, the proposed legislation would affect the PMAs by subjecting the power marketing administrations that own transmission facilities to relevant provisions of the Federal Power Act for purposes of open access and transmission rate making, but would provide that any determination of the FERC would be subject to a list of conditions, including a requirement that the rates and charges are sufficient to recover existing and future Federal investment in the transmission systems; authorizing the PMAs to voluntarily join an independent regional transmission organization (RTO); and authorizing FERC to order a transmission-owning PMA to place some or all of its transmission facilities under the control of an independent regional transmission operator.
- The Office of Personnel Management reviewed Southwestern's Human Resources Program in FY 1999. The review resulted in an overall excellent rating in the conduct of personnel authorities, and Southwestern's awards program received recognition as an innovative and successful Human Resources program model for other Federal organizations.
- Southwestern's Tupelo, Oklahoma Maintenance Facilities, located in south central, Oklahoma, was closed effective July 18, 1999, as part of the FY 2000 Plus Initiative to streamline the organization.

Funding Profile

(dollars in thousands)

	FY 1999 Current Appropriation	FY 2000 Original Appropriation	FY 2000 Adjustments	FY 2000 Current Appropriation	FY 2001 Request
Southwestern Power Administration					
Operations and Maintenance	2,722	3,625	0	3,625	3,795
Purchased Power and Wheeling	59	833	0	833	288
Construction	6,817	6,684	-21	6,663	6,817
Program Direction	16,355[a]	17,631	-88	17,543	18,388
Subtotal, Southwestern Power Administration	25,953	28,773	-109	28,664	29,288
Offsetting Collections Realized	0	0	0	0	-288
Use of Prior Year Balances	0	0	0	0	-900
Total, Southwestern Power Administration	25,953	28,773	-109	28,664	28,100

Public Law Authorizations:
Public Law 78-534, "Flood Control Act of 1944"
Public Law 95-91, :DOE Organization Act of 1977", Section 302
Public Law 102-486, "Energy Policy Act of 1992"

[a]Reflects a Congressional rescission of $47,000.

Funding by Site

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
Southwestern Power Administration	25,953	28,664	29,288	+624	+2.2%
Offsetting Collections Realized	0	0	-288	-288	NA
Use of Prior Year Balances	0	0	-900	-900	NA
Total, Southwestern Power Administration	25,953[a]	28,664[b]	28,100	-564	-2.0%

[a]Reflects a rescission of $47,000.

[b]Reflects a rescission of $109,000 and an appropriation transfer of $773,000.

Site Description

An agency of the Department of Energy, Southwestern Power Administration (Southwestern) was created in 1943 to market power and energy produced at U.S. Army Corps of Engineers hydroelectric power projects. Southwestern markets power at wholesale rates to 78 municipal utilities, 12 rural electric cooperatives, and three government agencies in the six states of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas. To integrate the operation of the Federal hydroelectric generating plants and to transmit power from 24 U.S. Army Corps of Engineers dams to customers, Southwestern operates and maintains 1,380 miles of high-voltage transmission line, 23 substations, and 46 microwave and VHF radio sites. Southwestern operates from four locations. The Headquarters is located in Tulsa, Oklahoma; the dispatch center in Springfield, Missouri; and the maintenance crews are located in Jonesboro, Arkansas; Gore, Oklahoma; and Springfield, Missouri.

Operations and Maintenance

Mission Supporting Goals and Objectives

Southwestern's Operations and Maintenance (O&M) activity fulfills the requirements of Section 5 of the Flood Control Act of 1944 and reflects Southwestern's goals and objectives to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition and repaying the Federal investment plus interest. The O&M program also supports the Department of Energy's Strategic Plan to promote secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern markets power in a six-state area from 24 multi-purpose Federal dams operated by the U.S. Army Corps of Engineers. To integrate the operation of the Federal hydroelectric generating plants and to transmit power from the U.S. Army Corps of Engineers dams to customers, Southwestern maintains 1,380 circuit-miles of high-voltage transmission line, 23 substations, and 46 microwave and VHF radio sites.

Southwestern's facilities were built 35-50 years ago and are constantly evaluated to develop a systematic maintenance program through the Maintenance Management Information System (MMIS). Data from the MMIS (age, risk of failure, life cycle of equipment), field crew evaluation, obsolescence of technology, lack of replacement parts are all variables that are assessed when determining the level of funding required for a fiscal year.

Estimates provided in this activity represent power marketing, operations, and maintenance activities. Power Marketing provides for technical and economic studies to support Southwestern's transmission planning, water resources, communications, environment, safety and health, and maintenance activities. Technical and economic studies provide data to analyze and evaluate the impacts of proposed operational changes and for decision making based on cost/benefit analysis. In addition, this activity provides for environmental day-to-day activities such as waste disposal, monitoring equipment, environmental assessments and contractor support.

The Operations activity provides for the day-to-day communications support of the Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS), and other associated communication activities. Communications also support fiber optic and microwave radio construction projects. It is the Administration’s policy to focus PMA funding for fiber optic communications on those investments needed to meet each PMA’s projected operational needs. The Administration will more fully describe its policies regarding the appropriate scope of PMA investments in fiber optics when it submits to Congress the fiber optics plans for each PMA required by Congress in the conference report accompanying the FY 2000 Energy and Water Development Appropriations Act. In addition, the Operations activity develops and implements operational arrangements with competing users. In conjunction with this activity, Southwestern works with customers through alternative finance arrangements and other Federal entities in studying and implementing dissolved oxygen monitoring and other programs to optimize Federal hydropower production and fulfill Southwestern's contractual obligations.

The Maintenance activity provides for the day-to-day routine replacements on the transmission facilities. Activities are divided into substation and line maintenance and includes communication tower maintenance, protection of facilities, hazardous waste removal, right-of-way clearing, air patrol of lines, diagnostic testing, and general building maintenance.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
Power Marketing	174	693	896	+203	+29.3%
Operations	0	505	480	-25	-5.0%
Maintenance	2,548	2,427	2,419	-8	-0.3%
Total, Operations and Maintenance	2,722	3,625	3,795	+170	+4.7%

Detailed Program Justification

(dollars in thousands)

	FY 1999	FY 2000	FY 2001
Power Marketing			
# Power marketing provides technical and economic studies for transmission planning activities such as protective relaying, environment, safety and health, water resources, communication, and maintenance.			
< Annually recurring mandatory transmission planning studies are performed, such as one dynamic stability evaluation and two Southwestern Federal Power System short circuit investigations. The following business essential transmission planning studies will be performed: 49 Southwest Power Pool model updates; 22 power system protective relay coordination studies; 4 Available Transmission Capacity updates (one per season); 5 customer interconnection/ facility addition analyses arising from open transmission access and market pressures on Southwestern customers and connected utilities. The funding level is appropriate for the average number of studies required per year that would have operational impacts on how Southwestern markets and delivers power. Estimate is derived from the negotiated architect/engineering contract.	174	528	578
< Environmental activities include: waste disposal/clean-up of oil and PCB contaminates from old circuit breakers and transformers; purchase of monitoring equipment as required by the Clean Water Act for runoffs from sites where Southwestern activities affect streams and waterways; purchase of oil/water separator discharge monitoring equipment needed to comply with the National Pollutant Discharge Elimination System regulations; environmental assessments for threatened and endangered species such as the least tern; property transfers, and wetland assessments; environmental library access; and procurement of on-site contractor support services, provided for in Maintenance prior to FY 2000.	0	165	318
Total, Power Marketing	174	693	896

	(dollars in thousands)		
	FY 1999	FY 2000	FY 2001
Operations			
# Operations provides for the development and implementation of operational arrangements with competing water users and transmission communication activities.			
< Development and implementation of operational arrangements with competing water users will be funded through alternative financing arrangements.	0	0	0
< Beginning in FY 2000, transmission communication costs were included in Operations. This activity had previously been reported in the Maintenance activity in FY 1999. Transmission Communication costs include the purchase of supplies and materials such as digital testing equipment, system modules, work stations for SCADA support and the SCADA maintenance agreement. Estimates for SCADA and communications maintenance are derived from maintenance history, the age of the equipment, and annual diagnostic maintenance tests. The funding level is appropriate for the age (SCADA is approximately 4 years old and the microwave equipment is approximately 14 years old) and expected life span (7 years for SCADA and 15 years for microwave equipment) of the equipment.	0	413	373
< Also included are, transmission activity costs for funding FERC service charges, and one competing use study.	0	92	107
Total, Operations	0	505	480

(dollars in thousands)

	FY 1999	FY 2000	FY 2001
Maintenance			
# Maintenance provides for day-to-day maintenance of Southwestern's 23 substations and 1,380 circuit-miles of high-voltage transmission line.			
< In FY 2001, substation maintenance work includes: purchase and installation of 6 circuit breakers, 30 interchange and/or revenue meters, electrical equipment such as battery chargers, coupling capacitor voltage transformers, and potential transformers to improve system reliability; complete essential general maintenance projects; and disposal of 15 PCB contaminated electrical items. Maintenance estimates are based on data in the MMIS which provides the age and condition of the existing equipment that predicts maintenance intervals. Estimates are calculated on age plus risk and number of units times negotiated price per unit.	700	1,185	1,185

(dollars in thousands)

	FY 1999	FY 2000	FY 2001
< In FY 2001, line maintenance includes the purchase of an estimated 50 steel and/or wood structures complete with cross arms and braces; completion of an estimated 400 miles of planned right-of-way clearing, including clearing the floor of the right-of-way and side clearing of the right-of-way; 150 miles of herbicide application; one hydro-axe; and routine vehicle repair and maintenance. The estimate for steel and/or wood structures is appropriate based on data in the Overhead Transmission Maintenance System (OTMS) program. Through the use of the OTMS, the number of units (poles, cross arms, insulators) to be replaced, age of such units, and testing criteria is predetermined enabling extraction of this information at any given period of time. The estimate is calculated on existing inventory plus historical average crew production, condition of the equipment and historical pricing information for parts and materials. In the right-of-way (ROW) clearing program, the growing cycle of vegetation in Southwestern's geographical area has shown that the mechanical reclearing of brush and trees in a 3-4 year cycle for the floor and a 5-7 year cycle for side trimming is needed to avoid outages. Southwestern has begun an aggressive herbicide treatment program in addition to reclearing to eliminate undesirable vegetation and extend the reclearing cycle to reduce on going costs in the outyears. Estimate is appropriate for 400 miles of vegetation control annually with 150 miles of herbicide application. Estimate is based on the number of miles plus type of terrain and historical pricing information. The hydro-axe clears more ROW than using tractors and is less expensive than the equivalent number of tractors. Estimate is based on the market price for a hydro-axe.	1,242	1,242	1,234

	(dollars in thousands)		
	FY 1999	FY 2000	FY 2001
< Starting in FY 2000, communication maintenance is performed under the Operations activity to align the maintenance of SCADA with the operation of the transmission system which is accomplished through SCADA.	606	0	0
Total, Maintenance	2,548	2,427	2,419
Total, Operations and Maintenance	2,722	3,625	3,795

Explanation of Funding Changes from FY 2000 to FY 2001

	FY 2001 vs. FY 2000 ($000)
Operations and Maintenance	
# Increase in transmission studies is due to an increase in the Southwest Power Pool (SPP) membership fee. The increased fees have resulted from the SPP moving from a regional electric reliability council to an Independent Systems Operator (ISO)/Regional Transmission Organization (RTO)..	+50
# Increase in environmental costs is due to Southwestern's efforts to stay in compliance with environmental laws and changes.	+153
# Decrease in transmission communication costs reflects a reduction in SCADA upgrades.	-40
# Increase in transmission activity cost is due to an increase in FERC service charges and technical studies..	+15
# Decrease in maintenance reflects a reduction from the previous year in purchasing tractors used for right-of-way clearing offset by the purchase of a hydro-axe	-8
Total Funding Change, Operations and Maintenance	+170

Purchased Power and Wheeling

Mission Supporting Goals and Objectives

Southwestern's Purchased Power and Wheeling (PPW) program purchases non-Federal energy as necessary to supplement hydroelectric generation to meet contractual obligations with 93 customers for average hydropower generation, and wheeling services associated with delivery of this energy to customers not directly connected to the transmission system.

Beginning in FY 2001, Southwestern will seek authority to utilize purchase power and wheeling revenues to finance purchased power and wheeling expenses previously funded by direct appropriations. Southwestern will end the financing of purchased power and wheeling through this method at the close of FY 2004. This new authority is in addition to Southwestern's existing authorities used to finance purchased power and wheeling activities, such as net billing, bill crediting, and reimbursable authority. Southwestern will encourage its customers to assume additional responsibility for the purchase and delivery of power to customer load centers.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
System Support Activities	1,300	2,073	2,428	+355	+17.1%
Other Contractual Activities	3,159	3,260	2,860	-400	-12.3%
Use of Alternative Financing	-4,400	-4,500	-5,000	-500	+11.1%
Subtotal, Purchased Power and Wheeling	59	833	288	-545	-65.4%
Offsetting Collections Realized	0	0	-288	-288	NA
Total, Purchased Power and Wheeling	59	833	0	-833	-100%

Detailed Program Justification

	(dollars in thousands)		
	FY 1999	FY 2000	FY 2001
System Support Activities			
# In FY 2001, Southwestern is requesting new authority to use offsetting collections to meet its contractual obligations in the delivery of power for average hydropower generation to 93 customers through power purchases. Estimates are based on average water year purchase power needs and the reduced availability of banked energy.	1,300	2,073	2,428
# Alternative methods of financing increase due to the reduced availability of banked energy and additional power purchase requirements to meet contractual obligations. Estimates shown here are based on the willingness of customers and suppliers to participate in the net billing, bill crediting, and reimbursable programs. In the future, Southwestern will encourage its customers to assume additional responsibility for the purchase and delivery of power to customer load centers.	-1,300	-1,300	-2,200
Total, System Support Activities	0	773	228
Other Contractual Activities			
# In FY 2001, Southwestern is requesting new authority to use offsetting collections to meet wheeling requirements. Estimates are based on contractual pricing and delivery terms under long-term agreements.	3,159	3,260	2,860
# Alternative methods of financing decrease due to the expiration of contractual arrangements. Estimates shown here are based on the willingness of customer and supplier participation in the net billing, bill crediting, and reimbursable programs. In the future, Southwestern will encourage its customers to assume additional responsibility for the purchase and delivery of power to customer load centers.	-3,100	-3,200	-2,800
Total, Other Contractual Activities	59	60	60
Total, Purchased Power and Wheeling	59	833	288

Explanation of Funding Changes

from FY 2000 to FY 2001

	FY 2001 vs. FY 2000 ($000)
System Support Activities	
# The increase in Southwestern's FY 2001 system support requirements is due to additional power purchase requirements which are needed to meet contractual obligations as a result of the reduced availability of energy banks and the changing energy market.	+355
Other Contractual Activities	
# A decrease in other contractual requirements results from the expiration of contractual arrangements for wheeling services.	-400
Alternative Financing	
# The increase in Southwestern's FY 2001 alternative financing requirements is needed to meet additional purchase power requirements and wheeling services which can be accomplished through the net billing, bill crediting and reimbursable programs.	-500
Total Funding Change, Purchased Power and Wheeling	-545

Construction

Mission Supporting Goals and Objectives

Southwestern's Construction activity fulfills the requirements of Section 5 of the Flood Control Act of 1944 and reflects Southwestern's goals and objectives to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition, and repaying the Federal investment plus interest. This activity also supports the Department of Energy's Strategic Plan to promote secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern's Construction activity provides for modification and replacement of transmission, substation, switching and communication facilities, and other power system equipment which enable Southwestern to market Federal hydropower in the most efficient and cost effective manner, and to meet operational criteria required as a member of the Southwest Power Pool, the regional electric reliability council. Southwestern is responsible to maintain and enhance power system safety and reliability, thereby assuring continued safe, reliable delivery of power to preference customers; to encourage new initiatives for more effective use of existing regional resources; and to participate with non-Federal interests in joint power projects of benefit to the Government. In addition to appropriated funds, Southwestern uses reimbursable authority, bill crediting, and net billing arrangements to fund Federal power system replacement projects to assure the reliability of the Federal Power System.

Substation and communication equipment replacements are planned to assure system reliability. The projects reflect Southwestern's efforts to reduce the risk of more frequent and extended service outages, avoid more costly replacements in the future, and support the increased open access activity on the power system. System age, risk of failure, life cycle, maintenance crew observations, obsolescence of technology, unavailability of replacement parts, budget constraints, cost, and need of more capacity are all variables that are assessed when determining the requirements of the Construction activity.

Southwestern's planned Construction projects are subject to change based on unanticipated equipment failure or customer needs. The realities of maintaining a complex interconnected power system means unforeseen priority projects will surface from time to time causing a deferment of planned projects to another fiscal year. However, all projects share a commonality in that they are replacements of aging existing equipment necessary to maintain the reliability of the Federal power system.

It is the Administration's policy to focus PMA funding for fiber optic communications on those investments needed to meet each PMA's projected operational needs. The Administration will more fully describe its policies regarding the appropriate scope of PMA investments in fiber optics when it submits to Congress the fiber optics plans for each PMA required by Congress in the conference report accompanying the FY 2000 Energy and Water Development Appropriations Act.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
Transmission System Replacements	6,387	6,257	6,231	-26	-0.4%
Capital Equipment Not Related to Construction	430	406	586	+180	+44.3%
Total, Construction	6,817	6,663 [a]	6,817	+154	+2.3%

[a] Reflects a Congressional rescission of $21,000.

Detailed Program Justification

(dollars in thousands)

	FY 1999	FY 2000	FY 2001
Transmission System Replacements			
# Substation equipment replacements are planned to assure system reliability and reliable service to Southwestern's customers. The age of substation equipment to be replaced ranges from 28-37 years. The funding level for transmission system replacements is appropriate based on the useful service life expended multiplied by adjustment factors that reflect whether or not the equipment's electrical rating is sufficient to safely carry the calculated available current, and a factor that dictates relative maintenance demands. Estimates are derived from competitive negotiated prices per number of units.			
< Includes disconnect switches at one site, and a grounding and drainage program at one, two duplex switch board relay panel sections, and breaker bay additions at one site	2,678	2,027	1,375
# Communication equipment replacements are planned to provide necessary improvements in system reliability and reduce maintenance and equipment costs. The age of communication equipment to be replaced ranges from 30-35 years.			
< Substation Communication Equipment Replacements: In FY 2001, replacements include installation of 100 miles of fiber optic shield wire, microwave tower upgrades and sitework at six sites, mobile radios, and 30 revenue meters/telemetry replacements.	3,709	4,230	4,581

	(dollars in thousands)		
	FY 1999	FY 2000	FY 2001
# The open access regulations imposed by FERC with emphasis on Internet use is requiring development and implementation of additional software on the SCADA system thus placing an increased processing load on the current configuration. Funding is required to acquire hardware component upgrades to meet this demand. Implementation of this policy contributes to increased reliability and ease of maintenance which are paramount for the operation of the SCADA system. The use of the Internet introduces a potential for increased security risk. Additional funding is also required to install adequate hardware and software safeguards to minimize this risk.	0	0	275
Total, Transmission System Replacements	6,387	6,257	6,231

Capital Equipment Not Related to Construction

# Replace vehicles, tractor trailers, and heavy equipment used for maintenance and repair of transmission system equipment and facilities. Replacements are based upon DOE and GSA usage and replacement guidelines. Southwestern is exempt from the alternative fuel vehicle requirements in the Energy Policy Act due to the small population in the geographical area served by Southwestern. Funding level is appropriate based on GSA and DOE usage and replacement guidelines and the type of equipment needed to maintain 1,380 circuit-miles of transmission line. Estimates are derived from GSA pricing schedules.			
< In FY 2001 Southwestern plans to replace 11 vehicles: 7 special purpose trucks, 2 special purpose vans, 1 general purpose van and 1 boom truck. All are required for field maintenance.	430	406	586
Total, Capital Equipment Not Related to Construction	430	406	586
Total, Construction	$6,817	$6,663	$6,817

Explanation of Funding Changes from FY 2000 to FY 2001

	FY 2001 vs. FY 2000 ($000)
Transmission System Replacements	
# The decrease in substation equipment replacement cost is due to the fact that there will be two less 161kV circuit breaker bays..	-652
# The increase in Substation Communication Equipment is due to two additional microwave tower upgrades and site work than in FY 2000..	+351
# The increased cost is to assist Southwestern in implementing open access requirements imposed by FERC under Rule No. 888.	+275
Total, Transmission Systems Replacements	-26
Capital Equipment Not Related to Construction	
# Increase is primarily attributed to the need to replace 5 trucks at $36,000 each with an average wear of approximately 100,000 miles	+180
Total, Capital Equipment Not Related to Construction	+180
Total Funding Change, Construction	+154

Program Direction

Mission Supporting Goals and Objectives

Based upon Southwestern's Organization 2000 Plus Initiative to reduce costs and to streamline the organization, the Program Direction activity provides salaries and benefits, travel, support services, and other support related services required to implement the requirements of Section 5 of the Flood Control Act of 1944 and reflects Southwestern's goals and objectives to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition, and repaying the Federal investment plus interest. This activity also supports the Department of Energy's Strategic Plan to promote secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern's Program Direction activity provides compensation and all related expenses for Federal personnel who operate and maintain Southwestern's high-voltage power system and associated facilities and who plan, design, and supervise the construction of replacements, upgrades, and additions (capital investments) to the power system facilities. Also included are personnel who negotiate and administer power marketing contracts, develop wholesale power rates, develop and implement operational arrangements with competing water users, schedule and deliver power to preference customers, implement environment, safety and health programs, and provide for general administration and management. These employees include, but are not limited to, civil, electrical, and electronics engineers, high-voltage linemen and electricians; power system dispatchers; public utilities specialists; environmental and safety specialists; and administrative staff. Southwestern will continue to share facilities and administrative services with another DOE office. Travel associated with the operation and maintenance of the power system facilities continues at approximately the same level. Other travel needs have been reduced due to video conferencing capabilities.

The investment in support services continues to assure program support for Southwestern in the areas of word processing, records management, public affairs, computer programming, data processing, environmental, engineering, and drafting and design. Drafting and design and environmental and engineering support will continue to focus on efforts in power system replacements. Other related expenses supports Southwestern in the areas of rental space, telecommunications, utilities, printing, training, supplies, materials, non-capitalized equipment, and the working capital fund.

In FY 1999, Southwestern placed in operation a new Year 2000 ready Joint Financial Improvement Program certified financial system which replaced a fifteen year old financial system which was not Year 2000 ready. Southwestern successfully transitioned to Year 2000 without interruption to its financial system.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands, whole FTE)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
Program Direction[a]					
Salaries and Benefits	11,829	13,082	13,637	+555	+4.2%
Travel	705	620	635	+15	+2.4%
Support Services	1,970	1,966	1,953	-13	-0.7%
Other Related Expenses	1,851	1,875	2,163	+288	+15.4%
Total, Program Direction	16,355[b]	17,543[c]	18,388	+845	+4.8%
Full-Time Equivalent (FTE)	175	177	177	0	0.0%

[a] The amounts included in Program Direction represent all salaries and benefits, all travel expenses and related personnel costs for Operations and Maintenance and Construction activities. It should be noted that this value represents not only Southwestern's administrative and/or overhead expenses, but includes direct program activity costs associated with FTE usage.

[b] Reflects Congressional rescission of $47,000.

[c] Reflects Congressional rescission of $88,000.

Detailed Program Justification

(dollars in thousands)

	FY 1999	FY 2000	FY 2001
Salaries and Benefits			
# Funding in this activity is for skilled Federal employees who operate and maintain Southwestern's high-voltage interconnected power system and associated facilities, and the administrative support staff. Estimate is derived from the current year budgeted salaries and benefits plus cost-of-living adjustments plus or minus FTE change plus promotions and within grade increases. Benefits are calculated based on a percentage of prior year actuals as applied against FY 2001 budgeted salaries. This level is appropriate for 177 FTE of which 40 percent of the salaries are driven by union contract and regional pay surveys.	11,829	13,082	13,637
Travel			
# Estimate includes transportation and per diem, incurred in the operation and maintenance of Southwestern's geographically dispersed power system and the performance of general administrative functions. Estimate is derived from the daily requirement of the field maintenance personnel to maintain 1,380 miles of transmission line plus a self imposed ceiling to limit all other travel and Federal travel limitations. This level is appropriate to assure reliability of the power facilities, represent the Government's interests at State, and electric municipal, and cooperative customer meetings, meet externally imposed training requirements and respond to required appearances such as the Congressional Hearings.	705	620	635
Support Services			
# Estimate includes automated data processing, drafting, and general administrative support. Estimate is derived from the negotiated contract amount essential to Southwestern's mission. Funding level is based on the critical and essential computer based systems at Southwestern, the number of construction projects, and basic clerical and record support.	1,970	1,966	1,953

	(dollars in thousands)		
	FY 1999	FY 2000	FY 2001
Other Related Expenses			
# Estimate includes funding for rental space, telecommunications, utilities, printing and reproduction, training tuition fees, maintenance and repair of office equipment, supplies, non-capitalized equipment, working capital fund and Year 2000 compliant financial management system software. Estimate is based on fixed costs plus a 2.0 percent inflation factor, age of equipment, comparative vendor estimates, and DOE assessments. This estimate is appropriate based on 43,000 square feet of leased space, communications, utilities, and repair and purchase of office equipment at Headquarters, and three field offices. . . .	1,851	1,875	2,163
Total, Program Direction	16,355	17,543	18,388

Explanation of Funding Changes from FY 2000 to FY 2001

	FY 2001 vs. FY 2000 ($000)
Salaries and Benefits	
# Increase in salaries and benefits (+$670,667) represents a 3.7% cost of living increase and within grade increase for General Schedule employees, a 5% increase for dispatchers, and a 4% increase for power system maintenance crews offset by reductions in awards, overtime, and workers compensation (-$115,200)	+555
Travel	
# Reflects an increase due to additional travel requirements in the maintenance of the aging transmission system.	+15
Support Services	
# Reflects a slight overall decrease due to increased activity in drafting and design support (+$40,000) and environmental and engineering support (+$95,000). The clerical and records management increased (+$66,000) due to additional support requirements and the ADP support decreased (-$214,000) due to the initial installation of the Oracle Financials System and the SCADA system continuing in service.	-13
Other Related Expenses	
# Training decreases due to Southwestern's initiative to increase in-house training and prioritize offsite training	-75
# Working Capital Fund and associated costs increases due to a reassignment of Southwestern's labor costs of an FTE to another PMA for Headquarters support.	+40
# Printing and reproduction increases due to increased publishing costs related to providing information to the public on hydroelectric power and the changes in the electric utility industry.	+26
# Rental space increases due to an inflation adjustment under the terms of the negotiated lease for the Tulsa facility and the need for offsite storage.	+78
# Software Procurement/Maintenance Activities/Capital Acquisitions increases due to Southwestern's efforts to update facility and computer security systems, provide for various procurement interfaces to the Oracle Financials System, and continued to work toward maintaining and securing the records management system software.	+80
# Other increases due to anticipated rate increases for FTS 2001 transition, utilities, office supplies (previously funded by prior year funds) and contract services for facility, office equipment and security maintenance.	+139
Total, Other Related Expenses	+288
Total Funding Change, Program Direction	+845

Support Services

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
Technical Support Services					
Drafting and Design Support	126	90	130	+40	+44.4%
Environmental & Engineering Support	260	200	295	+95	+47.5%
Total, Technical Support Services	386	290	425	+135	+46.5%
Management Support Services					
Clerical/Records Management	232	827	893	+66	+8.0%
ADP Support	1,352	849	635	-214	-25.2%
Total, Management Support Services	1,584	1,676	1,528	-148	-8.8%
Total, Support Services	1,970	1,966	1,953	-13	-0.7%

Other Related Expenses

(dollars in thousands)

	FY 1999	FY 2000	FY 2001	$ Change	% Change
Training	154	173	98	-75	-43.4%
Working Capital Fund	55	55	95	+40	+72.7%
Printing and Reproduction	95	108	134	+26	+24.1%
Rental Space	405	465	543	+78	+16.8%
Software Procurement/Maintenance Activities/Capital Acquisitions	899	839	919	+80	+9.5%
Other	243	235	374	+139	+59.1%
Total, Other Related Expenses	1,851	1,875	2,163	+288	+15.4%

DEPARTMENT OF ENERGY
FY 2001 CONGRESSIONAL BUDGET REQUEST
POWER MARKETING ADMINISTRATION

REVENUES AND RECEIPTS
(Dollars in Thousands)

	FY 1999	FY 2000	FY 2001	FY 2002
Southwestern Power Administration				
Gross Revenues	102,217	97,470	102,605	102,705
Sale and transmission of electric energy	102,217	97,470	102,605	102,705
Net billing amount credited back to offset receipts	-6,979	-5,100[a]	-6,400	-7,302
Use of revenues to fund purchased power and wheeling	0	0	-288	-288
Total Proprietary Receipts	95,238	92,370	95,917	95,115
Percent of Sales to Preference Customers	100%	100%	100%	100%
Energy Sales from Power Marketed (billions of kilowatthour)	6.6	5.6	5.6	5.6

(dollars in thousands)

	FY 2003	FY 2004	FY 2005
Southwestern Power Administration			
Gross Revenues	102,805	102,898	102,993
Sale and transmission of electric energy	102,805	102,898	102,993
Net billing amount credited back to offset receipts	-8,313	-9,073	-10,000
Use of revenues to fund purchased power and wheeling	-288	-288	0
Total Proprietary Receipts	94,204	93,537	92,993
Percent of Sales to Preference Customers	100%	100%	100%
Energy Sales from Power Marketed (in billions of kilowatt hours)	5.6	5.6	5.6

Note: Gross revenues for FY 1999 and the outyears include revenues to recover the unfunded portion of the Civil Service Retirement System and post-retirement health/life benefits for Southwestern and the U.S. Army Corps of Engineers power-related employees.

[a]Assumes no net billing for power purchases and wheeling services as submitted in the FY 2000 Congressional Budget Request.

DEPARTMENT OF ENERGY
FY 2001 CONGRESSIONAL BUDGET REQUEST
SYSTEMS STATISTICS

SOUTHWESTERN POWER ADMINISTRATION
(In thousands of dollars)

	(dollars in thousands)		
	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
Generating Capacity:			
Installed Capacity (KW)	2,157,800	2,157,800	2,157,800
Peak Capacity (KW)	2,093,500	2,052,500	2,052,500
Generating Stations:			
Generating Projects (No.)	24	24	24
Substations/Switchyards (No.)	24	23[a]	23
Substations/Switchyards (KVA Capacity)	1,026,900	1,026,900	1,026,900
Available Energy:			
Energy Generated (Megawatthours)	6,749,131	5,346,100[b]	5,321,500
Energy Received (Megawatthours)	13,701	257,800[c]	257,800
Energy Available for Marketing (Megawatthours)	6,762,832	5,603,900	5,579,300
Transmission Lines (Circuit Miles):			
161 KV	1,117	1,117	1,117
138 KV	164	164	164
69 KV	99	99	99
Total Circuit Miles	1,380	1,380	1,380

[a]Southwestern disposed of limited facilities at the Hergett Substation in FY 2000.

[b]Estimate based on average water conditions as compared to actual above average water conditions that occurred in FY 1999.

[c]Estimate based on energy received during an average water year as compared to the actual energy received during an above average water year that occurred in FY 1999.

DEPARTMENT OF ENERGY
FY 2001 CONGRESSIONAL BUDGET REQUEST

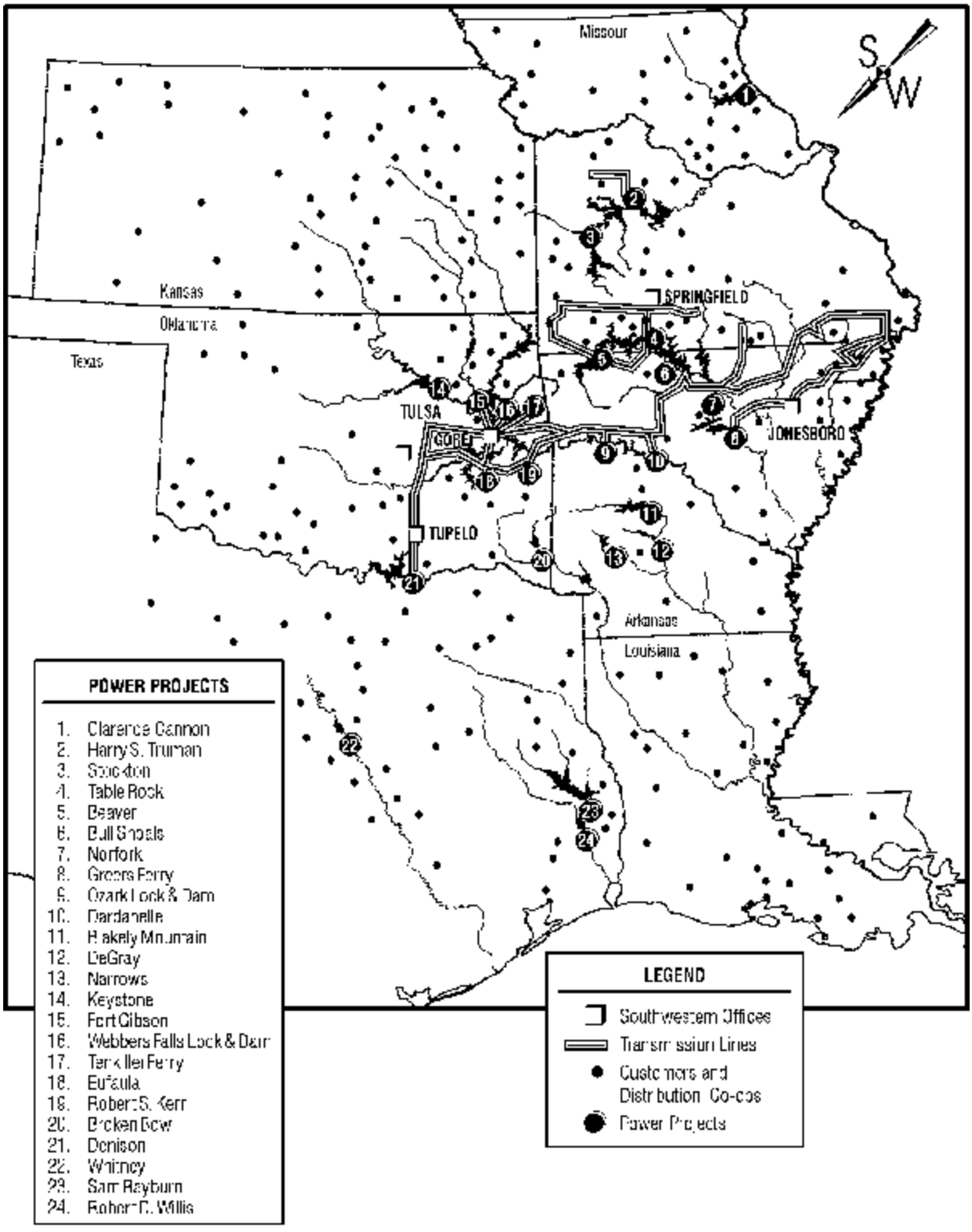
POWER MARKETED, WHEELED, OR EXCHANGED BY STATE

SOUTHWESTERN POWER ADMINISTRATION

Project	State	No. Of Plants	Installed Capacity (KW)	FY 1999 Actual Energy (GWh)	FY 2000 Estimated Energy (GWh)	FY 2001 Estimated Energy (GWh)
Power Marketed:	Missouri	4	463,200	1,985	1,694	1,686
Interconnected System	Arkansas	9	1,021,100	1,338	1,142	1,137
	Oklahoma	7	514,100	1,460	1,246	1,240
	Texas	2	100,000	601	513	511
	Louisiana	0	0	470	402	400
	Kansas	0	0	534	455	453
Subtotals		22	2,098,400	6,388	5,452	5,427
Isolated:						
Robert D. Willis Project						
Sam Rayburn Project						
50% to Texas		2	59,400	76	76	76
50% to Louisiana		0	0	76	76	76
Subtotals		2	59,400	152	152	152
Total Power Marketed		24	2,157,800	6,540	5,604	5,579
Power Wheeled/Exchanged:						
Wheeled (MW)				446	680	685
Exchanged (GWh)				130	163	163

DEPARTMENT OF ENERGY
FY 2001 CONGRESSIONAL BUDGET REQUEST

SOUTHWESTERN POWER ADMINISTRATION SYSTEM MAP



DEPARTMENT OF ENERGY
FY 2001 CONGRESSIONAL BUDGET REQUEST

PENDING LITIGATION

SOUTHWESTERN POWER ADMINISTRATION

Cajun Electric Power Cooperative, Inc., Case No. 94-2763-B2, Bankruptcy Case No. 94-11474 (filed 12/21/94), is a reorganization pending in the Middle District of Louisiana. A reorganization plan was filed. Case scheduled to be closed March 31, 2000.